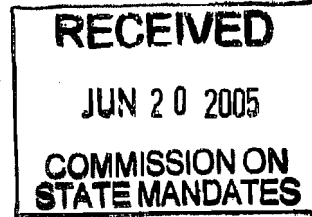


C/CAG
CITY/COUNTY ASSOCIATION OF GOVERNMENTS
OF SAN MATEO COUNTY

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June 15, 2005

Honorable Tom Campbell
Director of the Department of Finance
980 – Ninth Street, Suite 300
Sacramento, CA 95814

Dear Mr. Campbell:

The City/County Association of Governments of San Mateo County, which is a joint powers agency that includes San Mateo County and all 20 of its incorporated cities, unanimously voted to request that the Commission on State Mandates reconsider its decision and fund the work required of Council of Governments (COGs) to implement the state's Regional Housing Needs Allocation program.

The Board of Control determined that the State's RHNA program constituted a reimbursable mandate on councils of governments and in 1981 the Board of Control adopted parameters and guidelines to reimburse COGs for the RHNA activities. State funds have been appropriated and paid to COGs for the RHNA program for more than 20 years. Please reconsider the Executive Director's Decision of March 30, 2005 to no longer reimburse COGs for the RHNA process.

COG's generally have no dedicated funding other than levies of membership fees. Therefore the new charge imposed by the State would have to be passed along to the local agencies. If COGs charge their member agencies for the RHNA costs, they in effect are paying for the RHNA process themselves. This runs counter to the well established policy underlying SB 90 (mandate claims) process which states, the state cannot shift the costs of providing public services to local agencies. Most importantly, the RHNA program is a state program created by the Legislature to address the affordable housing shortage in California. Simply put, it is a state program for which the state should reimburse all local agencies for their efforts at implementation. If the state believes this program is not important enough to fund, it should be repealed.

Sincerely,

James M. Vreeland Jr.
Chairman

cc: Assemblyman Leland Yee
Mary McMillan, San Mateo County
Senator Joe Simitian
Senator Jackie Speier
San Mateo County City Mayors
Ken Moy, Attorney for ABAG

Assemblyman Ira Ruskin
Assemblyman Gene Mullin
Rebecca Elliot, League of Cities
Wes Lujan, Advocation
San Mateo County City Managers